

To the Members of the California State Assembly:

I am returning Assembly Bill 653 without my signature.

This bill repeals the January 1, 2005 sunset date of the Energy Efficiency Revenue Bond Program, making the authority to issue revenue bonds permanent. Although I strongly support energy efficiency, I am concerned that this program has not been working effectively over the last few years. I have been recently informed that bond sales from this program have been suspended due to technical flaws with the authorizing statute. Therefore, we should allow this program to sunset and craft another program that addresses these structural challenges.

For these reasons I cannot support this measure.

Sincerely,

Arnold Schwarzenegger